

REMARKS/ARGUMENTS

Upon entry of this Amendment, which amends claims 1, 3-5, 7, 9, 11, 13, 15-17, 20 and 22-24; cancels claims 3, 9, 16, and 23, and adds new claims 25-27, claims 1-2, 4-8, 10-15, 17-22, and 24-27 will be pending. In the Office Action, claims 1-24 were rejected under 35 U.S.C. § 102(e) as being anticipated by Hsiao et al., U.S. Patent No. 6,564,215, hereinafter "Hsiao." Applicants respectfully request reconsideration of the claims in view of the Amendments above or remarks below.

Section 102 Rejections

Claim 5

Claim 5 was rejected under 35 U.S.C. § 102(e) as being anticipated by Hsiao. Applicants have rewritten claim 5 in independent form to include the limitations of base claim 1. No other amendments have been made and thus no new search is required. Applicants respectfully traverse the rejection. Claim 5 recites the token is one of a smartcard, a cellular phone, a personal digital assistant, a pager, a payment card, a security card, an access card, smart media and a transponder. The rejection states that this element is disclosed on col. 3, lines 27+, col. 4, lines 52-64, and col. 5, lines 31-46 and that Hsiao discloses a storage device that includes an access file/transaction program interface. Applicants submit that the access file/transaction program interface does not disclose or suggest one of a smartcard, a cellular phone, a personal digital assistant, a pager, a payment card, a security card, an access card, smart media and a transponder. Claim 5 recites elements such as smartcards, cellular phones, etc. and Applicants submit Hsiao does not disclose or suggest a token that includes one of these elements. Applicants respectfully request that the Examiner show how an access file/transaction interface discloses one of the above elements in claim 5.

Claims 1-2, 4, 6-8, 10-15, 17-22, and 24

Claim 1 was rejected under 35 U.S.C. § 102(e) as being anticipated by Hsiao. Claim 1 recites:

wherein upon receiving an indication that the token image on the portable token is to be updated, the server retrieves a backup token image for the portable token and uploads the backup token image to the portable token via the token acceptance device to replace the current token image on the portable token, the backup token image comprising updated financial or loyalty transaction information for the portable token.

Applicants submit that Hsiao does not disclose or suggest the above elements. The rejection states that a token acceptance device may be program product reader 210 and a token may be program product storage device 212 in Hsiao. Applicants submit this is a general description of a computer and Hsiao is not directed towards updating storage device 212. Rather, Hsiao discloses a database management system (DBMS) that allows a data object 109 stored at one of file sites 106, 108 to be accessed and updated. *See Hsiao*, col. 4, lines 14-19. Applicants submit that data object 109 and file site 106 are not portable.

Further, Applicants submit that even if file 106 is portable and includes data object 109, file 106 and even program product reader 210 are not configured to be used in financial transactions. Nowhere in Hsiao are financial transactions mentioned.

Also, even if storage device 212 is considered the object updated in Hsiao (it is not), Hsiao still does not disclose or suggest the above elements. As claimed, the current token image is replaced on the portable token with the backup token image. The backup token image includes updated financial or loyalty transaction information for the portable token. Nowhere in Hsiao is it disclosed or suggested that a backup token image includes updated financial or loyalty transactions.

Accordingly, Applicants respectfully request withdrawal of the rejection of claim 1. Claims 2, 4, and 6 depend from claim 1 and thus derive patentability at least therefrom. Accordingly, Applicants respectfully request withdrawal of the rejections.

Applicants submit claims 7, 13 and 20 should be allowable for at least a similar rationale as discussed with respect to claim 1. Claims 8, 10-12 depend from claim 7; claims 14-15 and 17-19 depend from claim 13; and claims 21-22, and 24 depend from claim 20, and thus, derive patentability at least therefrom. Accordingly, Applicants respectfully request withdrawal of the rejections.

New claims 25-27

Applicants submit that the cited references do not disclose or suggest every element of new claim 25. For example, the cited references do not disclose or suggest loading the backup token image to the portable token to replace the current token image in the first portable token, the backup token image comprising transaction information based on transactions performed using a second portable device different from the first portable device.

Further, the cited references do not disclose or suggest the first portable device and the second portable device comprise a smartcard and/or wherein the backup token image comprises transaction information for a financial account.

CONCLUSION

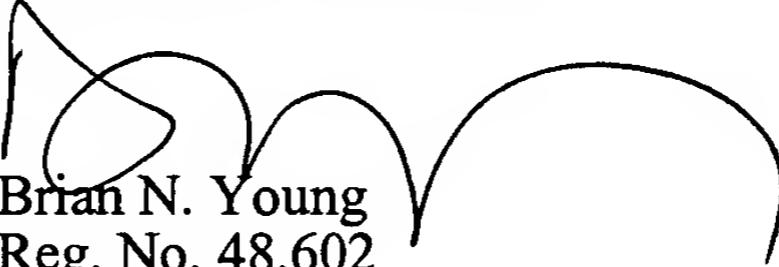
In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

Dated:

8/31/05

Respectfully submitted,


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